

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATE FITZPATRICK | ELIZABETH FONTAINE | JOHN B. LANGAN | JAMES M. MACHADO | ROBERT B. MCCARTHY

MEMORANDUM

TO: Arlington Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: November 23, 2015

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments will be paid on July 1 each fiscal year. The schedule is effective in FY16 (since the FY16 appropriation was maintained from the prior schedule) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



ARLINGTON CONTRIBUTORY RETIREMENT SYSTEM

FUNDING SCHEDULE

Fiscal Year	Normal Cost	Unfunded Liability*	Funding Amortization of UAAL	Net 3(8)(c) Payments+	Schedule Contribution**	% Change
2017	2,402,559	131,926,797	8,717,758	(33,988)	11,086,329	5.50%
2018	2,510,674	129,220,519	9,322,113	(136,710)	11,696,077	5.50%
2019	2,623,654	126,961,892	9,852,417	(136,710)	12,339,361	5.50%
2020	2,741,719	125,893,765	10,413,017	(136,710)	13,018,026	5.50%
2021	2,865,096	124,141,804	11,005,631	(136,710)	13,734,018	5.50%
2022	2,994,026	121,621,386	11,632,073	(136,710)	14,489,389	5.50%
2023	3,128,757	118,238,512	12,294,258	(136,710)	15,286,305	5.50%
2024	3,269,551	113,890,072	12,994,211	(136,710)	16,127,052	5.50%
2025	3,416,681	108,463,051	13,734,069	(136,710)	17,014,039	5.50%
2026	3,570,431	101,833,656	14,516,090	(136,710)	17,949,812	5.50%
2027	3,731,101	93,866,383	15,342,661	(136,710)	18,937,051	5.50%
2028	3,899,000	84,413,001	16,216,299	(136,710)	19,978,589	5.50%
2029	4,074,455	73,311,455	17,139,666	(136,710)	21,077,412	5.50%
2030	4,257,806	60,384,673	18,115,574	(136,710)	22,236,669	5.50%
2031	4,449,407	45,439,282	19,146,989	(136,710)	23,459,686	5.50%
2032	4,649,630	28,264,215	20,237,048	(136,710)	24,749,969	5.50%
2033	4,858,864	8,629,204	8,629,204	(136,710)	13,351,357	-46.06%
2034	5,077,512	-	-	(136,710)	4,940,802	-62.99%

Amortization of Unfunded Liability as of July 1, 2016

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2004	ERI - Town	38,902	4.00%	19	64,775	6
2004	ERI - Housing	4,102	4.00%	19	6,830	6
2006	ERI2003 - Town	15,910	4.00%	16	24,493	5
2017	Fresh Start	N/A	N/A	17	N/A	17

Notes on Amortization of Unfunded Liability

Year is the year the amortization base was established. **Type** is the reason for the creation of the base. **Original Amortization Amount** is the annual amortization amount when the base was established. **Percentage Increasing** is the percentage that the Original Amortization Amount increases per year. **Original # of Years** is the number of years over which the base is being amortized. **Current Amortization Amount** is the amortization payment amount for this year. **Years Remaining** is the number of years left to amortize the base.

* Includes recognition of the following asset gains/(losses) in Fiscal :

2018	\$	3,229,198
2019	\$	1,928,894
2020	\$	(1,079)

** Contributions are set to be the amount resulting from a 5.5% increase on the prior year's contribution. The contribution in FY2033 decreases by -46.06%.

+ Change in Net 3(8)(c) amount for Fiscal Year 2018 is due to termination of payments to Minuteman Regional